

Draft April 16, 2010

Summary of Telephone Conference with Jeff Hass and Sharon Kuller

On April 13, 2010, staff spoke by telephone with Jeff Hass, Chief Knowledge Officer of J. Hass Group, and Sharon Kuller, Account Liaison at J. Hass Group. J. Hass Group submitted a comment, as well as a response to staff questions, in response to the Notice of Proposed Rulemaking regarding the debt relief amendments to the Telemarketing Sales Rule.

Staff asked follow-up questions about answer number 6 (“Completion Rate”) on page 4 of J. Hass Group’s January 12, 2010 submission. Staff noted that the question in its December 18, 2009 letter asked for data about consumers who enrolled in the program at least 36 months ago. Page three of J. Hass Group’s January 12, 2010 submission states that the company has been enrolling consumers in debt settlement programs for 2 years and 9 months. Mr. Hass stated that the company answered the question for the initial group of consumers that enrolled when the company started. The group includes less than 1,000 consumers.

Mr. Hass stated the company has enrolled about 12,000 consumers since it began. Mr. Hass said that in recent years, the completion rate has decreased, as many consumers drop out because they read in the press that debt settlement is a scam or their creditor tells them that debt settlement is a scam. Mr. Hass stated that of clients who stay on the program for seven to eight months, the completion rate is much higher.